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# MANAGEMENT COUNCIL NEWSLETTER

U. S. Department of Agriculture

A summary of significant events of  
interest to USDA management

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1978 APPROPRIATIONS.....On May 24, the House Appropriations Committee completed their mark-up of the Agriculture and Related Agencies Appropriations Bill, 1978. The Committee's report will be submitted to the full Committee about June 3. The following is a summary of the Committee's recommendations on the bill:

	New Budget Authority FY 1977 (000's)	Budget Estimated FY 1978 (000's)	New Budget Authority Recommended in Bill (000's)
Agricultural programs.....	2,442,530	2,753,195	2,020,428
Rural development programs...	1,661,226	1,624,790	1,737,429
Domestic food programs.....	7,760,541	7,280,753	7,642,208
International programs.....	1,209,205	965,925	965,985

(Contact: Bob Sherman, OBPE, ext. 76176)

SPRING REVIEW.....A series of meetings between Assistant Secretaries and Agency Heads have been held to discuss program decision units to be used for the FY 1979 budget estimates as a part of the Department's ZBB process. Agencies will be advised of the program decision units approved for use in the preparation of agency estimates and Department estimates. (Contact: Bob Sherman, OBPE, ext. 76176)

ZERO BASED BUDGETING.....Selected advance draft A-11 materials have been received by OBPE. Materials will be analyzed and used to draft the Department's procedures for submission of FY 1979 Department estimates. OMB plans to issue a new OMB Circular A-11 in late June. (Contact: Bob Sherman, OBPE, ext. 76176.)

PROCUREMENT OF COMMERCIAL PRODUCTS.....Office of Federal Procurement Policy (OMB/OFPP) is promoting government use of standard commercial products obtained through local commercial sources. USDA has traditionally advocated the use of standard commercial products through local purchases. It has also been our policy not to warehouse or redistribute items through USDA facilities where normal commercial distribution facilities can be used. It is expected that this new OFPP policy will have little impact on USDA. (Contact: Dean Smith, OO, ext. 77527)

LEGALITY OF LOCAL GOVERNMENT ASSESSMENT OF U.S. REAL PROPERTY.....The Department was recently a party to a legal action involving the legality of the U.S. Government to pay for special assessments levied by the City of Adair, Iowa, for paving on real property owned by the Commodity Credit Corporation. The Department reported the property excess to GSA for disposal. Prior to that time and through error, the CCC made a partial payment on the assessment to the City. The Government filed suit in the U.S. District Court against the City to recover the partial payment, and the City filed a counterclaim seeking declaration of its legality to levy the assessment. The Court found for the Government, and the City appealed its decision to the U.S. Court of Appeals which upheld the lower court's ruling. The City subsequently filed a petition with the Supreme Court to review the case. The Supreme Court denied the petition. The City's appeal was based in part on the language in the Corporation's Charter which provides that real property of the CCC is subject to taxation by the State and local governments. The Courts held that this specific language did not extend to special assessments, thus recognizing prior decisions regarding the distinction between "taxation" and "special assessments." The Department is now awaiting removal of the lien and refund of the payment, at which time GSA will be notified and disposal action will proceed on the property. The site was reported excess in January 1975 and has been held in abeyance by GSA because of the assessment suit. (Contact: Mary Grubb, 00, ext. 75225)

CAFETERIA OPERATIONS.....Several months ago, Government Service Incorporated (GSI) petitioned GSA for relief from the contract under which GSI operates the USDA cafeteria, as well as other cafeterias in Government-owned buildings in the Washington, D.C. area. When GSA refused the requested relief, GSI rendered a notice of their intent to exercise their right to terminate the contract. GSA then agreed to reinstatement of the contract with a price increase of 5% effective April 25, 1977.

As a first step in an effort to upgrade service in the USDA cafeterias, GSI is performing a survey of patrons of both the Administration and South buildings cafeterias. The Administration Building survey was held on May 20 and 21. The South Building survey will be held May 26 through June 1. It is hoped that employee participation in the survey will provide GSI with an evaluation of their current operation and an insight into which areas need attention and improvement. (Contact: Al Cauley, 00, ext. 72815)

ENERGY CONSERVATION.....Departmental energy consumption in the second quarter of FY 1977 declined by 3.9% as compared to the similar quarter in FY 1975, the base year determined by the President. Higher quantities of electricity, natural gas and fuel oil consumed due to the harsh winter were more than offset by a decline in motor vehicle operations. Coupled with the 3.4% decline in the first quarter, the Department is well within the "no growth over 1975" target for the year. (Contact: Bob Welch, 00, ext. 77557)



TELEPHONE DIRECTORIES.....The USDA Spring 1977 Alphabetical Telephone Directory will be sent to the printer on May 24, 1977, and distribution will be made by June 30, 1977. Agencies have been notified to submit requisitions to Central Supply "Stores," Room 3SR-S Bldg. for desired quantities. (Contact: Al Cauley, OO, ext. 72815)

REDUCTION IN FNS PUBLIC-USE REPORTING BURDEN.....FNS has reduced the reporting burden placed upon the public by 7.3% from the June 30, 1976, base of 3,493,384 hours. The objective of this program is to obtain a 5% reduction in reporting burden by September 30.

FNS results have been obtained through top management support and a liaison system reaching all FNS programs. The total FNS man-hour burden was divided among program activities and each program director was assigned a man-hour reduction goal. Key representatives have been appointed in each program division and staff office and procedures have been established for monthly reviews and status reports.

This program is important and deserves the full cooperation of all agencies in the reduction program. (Contact: Frank Gearde, FNS, ext. 78974)

SERVICE CENTER PROGRAM.....Steps have been initiated to develop a Service Center Program policy to assure that State and County Administrative Committees give uniform emphasis nationwide.

It is essential that USDA agencies and clients have adequate and convenient space. In presently designated service centers, agency State officials should continue to move toward co-location where USDA officials and local clientele concur. (Contact: J. Fred King, SEC, ext. 73881)

INCREASED OPPORTUNITIES FOR MINORITY MOTOR CARRIERS.....In a recent decision the Interstate Commerce Commission (ICC) enhanced the opportunities for minority carriers to participate in the trucking industry. The ICC increased the size of the commercial zones from two to three miles for the smallest towns and from five to twenty miles for cities with population over a million. A commercial zone permits motor carriers to operate freely within the area without having to comply with ICC licensing requirements or publishing tariffs. The zone is measured from the municipal limits of a city.

USDA agencies should consider using minority trucking firms for transportation needs within the expanded commercial zones. A national listing of minority truckers is being prepared by the Office of Minority Business Enterprise for distribution. The Washington, D.C. commercial zone extends 20 miles beyond the D.C. boundary. The Minority Business Assistance Division, OEO, can be contacted for names of minority truckers within this zone. (Contact: Paul McCloskey, OEO, ext. 77921)

SCS EEO PROGRESS.....Significant progress has been made in the EEO program in SCS. Participation in the Cooperative Education Program is increasing and of the 50 students, 26 are minorities. Total minority employment of PFT's, student trainees and co-op students has increased from 1,016 in February to the present level of 1,046, or 7.6 percent of the PFT workforce. (Contact: Ken Novak, SCS, ext. 75489)

REVISED RENTAL CONTRACT FOR KCCC.....In the November 12, 1976, issue of this Newsletter, it was announced that a new rental contract for KCCC had been negotiated with resulting system life savings of \$182,000. This contract was renegotiated last week with system life savings now estimated at \$331,000. (Contact: R. Long, ADS, ext. 74789)

DPA FOR NOCC EXPECTED SHORTLY.....USDA expects to receive a Delegation of Procurement Authority from GSA for a competitive procurement at the New Orleans Computer Center by May 27. (Contact: R. Long, ADS, ext. 74789)

USDA SECTION 8(a) MID-YEAR ACHIEVEMENTS.....The chart below shows the Section 8(a) awards made by USDA agencies through March 31, 1977. Overall, the Department has significantly improved its mid-year status compared to previous reports. Those agencies needing assistance in meeting their goals for the remainder of FY 1977 should contact OEO, Minority Business Assistance Division.

<u>Agency</u>	<u>Annual Goal</u>	<u>Mid-Year Achievement</u>	<u>Percent of Goal</u>
AMS	\$ 680,000	553,588	81
APHIS	240,000	149,539	62
ARS	528,000	345,616	65
ASCS	50,000	34,984	70
EMSC	1/	16,059	-
FmHA	40,000	-0-	0
FNS	345,000	543,317	157
FS	1,830,000	582,375	31
OO	60,000	10,000	17
SCS	600,000	144,145	24
Total	4,373,000	2,379,623	54

1/No goal established

(Contact: Paul J. McCloskey, OEO, ext. 77921)

MINORITY BANK DEPOSIT PROGRAM.....President Carter reemphasized the importance of increasing Federal and private sector deposits in minority banks in an April 8, 1977, Memorandum to Heads of Departments. All agencies should review their programs to identify potential deposits in support of President Carter's recent request. Last quarter's report of USDA deposits in minority-owned banks showed an increase of \$410,000. The increase is due to a certificate of deposit the Agricultural Marketing Service's Cotton Board purchased from the Independence Bank of Chicago.

Efforts of the Special Programs Committee of the Interagency Council for Minority Business Enterprise, chaired by the Assistant Secretary for Administration, resulted in private sector support of the minority bank deposit program. The USDA Graduate School invested \$10,000 in a local minority bank and most recently the Agriculture Federal Credit Union invested \$20,000 each in two local minority banks. (Contact: Paul J. McCloskey, OEO, ext. 77921)